

DESCRIPTION OF TRANSACTION AND PUBLIC INTEREST STATEMENT

AT&T Mobility Spectrum LLC (“Mobility Spectrum”), an indirect wholly-owned subsidiary of AT&T Inc. (collectively with Mobility Spectrum, “AT&T”), together with Arctic Slope Telephone Association Cooperative, Inc. (“ASTAC”) (AT&T and ASTAC are collectively the “Parties”) hereby notify the FCC that AT&T and ASTAC have entered into a short-term spectrum manager lease (“Lease Agreement”) whereby AT&T will lease to ASTAC twenty megahertz of spectrum from broadband PCS license WPOK573 in a partitioned portion of the Anchorage, Alaska Basic Trading Area (BTA014) around Prudhoe Bay, Alaska, as described in more detail on Schedules F and G of the Form 608 (“Leased Spectrum”).

Commission acceptance of this short-term spectrum manager lease arrangement is in the public interest because it will provide ASTAC with access to the Leased Spectrum to deploy 3G mobile broadband services in the North Slope of Alaska. This will benefit both native villages as well as the significant number of workers in the petroleum exploration and extraction industry in the area.

AT&T will retain *de facto* and *de jure* control over the Leased Spectrum throughout the lease term. ASTAC, who will conduct operations under the Lease Agreement subject to applicable FCC rules and regulations, is financially, technically and legally qualified to utilize the Leased Spectrum to provide wireless services to the public.

This transaction does not raise any public interest concerns, nor will it have any adverse competitive impact. The transaction will not reduce the number of operating competitors, and numerous entities (including AT&T) will continue to hold licensed spectrum in the area. Nor will the transaction result in any overlap of commercial mobile spectrum in the geographic area covered by the Leased Spectrum that would pose an anticompetitive risk. ASTAC currently holds twenty-five megahertz of cellular spectrum, licensed under Call Sign KNKQ408, and twelve megahertz of Lower 700 MHz spectrum, licensed under Call Sign WPWV902, in the geographic area covered by the Leased Spectrum. The Lease Arrangement will result in ASTAC holding an attributable interest of only fifty-seven megahertz of commercial mobile spectrum, an amount far less than the Commission’s initial spectrum “screen”.¹

Commission acceptance of the lease will promote the public interest. The proposed transaction will enable ASTAC to deploy additional products and services to the public and to offer more robust and advanced services to subscribers and roamers in the North Slope of Alaska.

¹ See *Policies Regarding Mobile Spectrum Holdings*, Report and Order, 29 FCC Rcd. 6133 (2014) at ¶ 251.